#### Reflections on the World Situation

An evaluation of the present situation in world politics and of its probable trends in the years to come presents considerable difficulties. This is because since the end of the war the situation has rarely been as fluid as it is today and because the number of unknown and incalculable components is greater than ever. The following statements are based on copious material collected by the organization as well as on my personal information from the West. I must stress, however, that the latter is incomplete and that I lack knowledge of many internal events in the West.

The development of the world situation in the next few years will depend on developments inside the Russian sphere of power and on political decisions made by the Soviets, as well as on the shaping up of the many divergent power components in the Western Camp and the resulting Western decisions.

This is an attempt to delineate the major trends of development first, and later ton to discuss developments in individual political areas.

## I. The Basis of World Politics From 1945 to Stalin's Death.

The following factors conditioned the political development in the world so far, and to all appearances will also do so in the future:

1. Since the end of the war, political initiative has always been in the hands of the East, that is, of the Soviets.

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They have decisively influenced politics all over the world. With a single exception, the countermoves of the West have lagged behind and been unsuccessful. (The exception: the San Francisco peace treaty with Japan accomplished by John Foster Dulles within the space of a few days, bypassing the Russians.)

- 2. Consequently Russian foreign policy is progressing constantly and successfully in all parts of the world except the United States, where it is losing as a result of the battle against communist infection.
  - 3. The fronts between East and West in political and spiritual fields run no longer vertically but horizontally, on account of the strong infiltration of all Western countries. Well camouflaged agents are seated in all Governments and in all political parties up to the highest positions; they try to influence the course of events from the Russian point of view not always without success.
  - 4. In politics, Western thought is purely defensive while that of the East is offensive. The West has not recognized the fact that the question of an initiative against the East is a question of power politics. As long as the West is unable to meet the threat of the East with like methods, it will not regain the initiative; this means that the political conception of the West must become offensive if peace is to be preserved. The most important means in this direction is the possibility of a threat based on military might.
  - 5. However, the spiritual factor must not be forgotten. The offensive will to fight Communism is stirring in the United

States, alone. Communism and Fascism are equal forms of totalitarianism. Democracy can fight Communism spiritually only if it succeeds in demonstrating to all Western peoples that the philosphy of Communism and that of other related undemocratic movements is unethical. As long as the Western countries are unable to produce the same spirit of fight and resistance against Communism as they did in the War against Fascism and National Socialism, the transition to a political offensive will be impossible. Whether and when this can be done remains, an open question in view of the strong, masked infiltration of the West.

#### II. Additional Developments Since Stalin's Death.

Since Stalin's death, several additional factors have developed which, though they do not change the picture, nevertheless present new and unexpected chances for the West to seize the political initiative, if it can arrive at a unified line of action.

- 1. The death of Stalin has resulted in a temporary weakening of the political incentative in Russian leadership all over the world, because a man who was surrounded by an almost legendary myth has been replaced by a group leadership, from which a personality of similar coinage has not yet evolved as the generally recognized political and spiritual head of the Soviet system. So far nobody can tell whether a struggle for power will develop within the group leadership or how it will work out politically.
- 2. Soviet Communism is undoubtedly at the start of a spiritual crisis, the extent and importance of which are as yet unpredictable.
  - 3. The June uprising in East Germany cannot be assessed Approved For Release 2002/03/22: CIA-RDP80R01731R000500270026-4

too highly. Not only has it become evident to the Western world that the East German considers his place to be at the side of the West, what is much more important is that the legendary belief in the impossibility of a revolt against the system in power has been shattered not only in the GDR but also in the satellite countries. In addition - in view of the sensitivity of the Russian mentality to such occurrences - doubt and uncertainty must have arisen in be ilien in On the other hand, the West must be urgently warned **thése st**ates. not to overestimate the political significance of these events at the expense of the psychological side. The June uprising in the GDR has been possible only because in government circles and among the Soviets the possibility of a spontaneous demonstration of the will of the people had been considered out of the question. the originally small demonstration was condoned silently - it was not entirely unwelcome as a curtailment of the position held by the SED - and it became the starting point of an unexpected land-In this connection, it must be pointed out that - had the People's Police not been forbidden to shoot - the beginnings of the revolt could have been quelled within a few hours and the wave of unrestanot have spread. But this recognition does not lessen the very decisive importance of these events which are particularly valuable psychologically and should be utilized psychologically as well as politically.

4. Russian tactics changed through new elastic methods from the policy of the "nyet" to the peace offensive. All information indicates a fact - clear a priori to anybody who knows the Soviet system - namely, that this change is only one of tactics, not one of aims. A law imbedded in the dynamics of this totali-Approved For Release 2002/03/22: CIA-RDP80R01731R000500270026-4

tarian system is that its policies <u>must</u> be expansive unless the system is willing to surrender and dig its own grave. It is an interesting speculation whether Soviet foreign policy made the mistake in the post-war years not to be expansive enough, and whether this, up to a certain degree, is the cause of the present difficulties of the system. Stalin and his collaborators may well have been restrained by the spectre of the atomic bomb, but this will hold good only until the superiority of Russian air-defense is reestablished by a sufficient number of anti-aircraft rockets with homing devices.

The new Russian tactics originated doubtlessly during the last months of Stalin's life, but they became more mobile and more rapid in the employ of his younger successors. That mistakes were made in the process and that the old man was right in his desire to make the transition slowly has likewise become evident by the June revolt which in part was the result of Semyonov's sudden new course and of the mental confusion it produced in the East German Government.

## III. The Acting Powers and Their Aims.

If one looks at things soberly, it becomes clear that - in view of potential and geopolitical factors - only two big powers are the chief actors, the Soviet Union and the United States. They are the leading representatives of two great conceptions totally different in all aspects of life: on one side the totalitarian, on the other side, the liberal.

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However important and powerful they may consider themselves to be, all other states — in view of their location and their potential — can only be in the East, satellites, or in the West, allies, of the two great powers. Aside from this, a few states have the possibility of remaining politically neutral, which, however, works out to the advantage of Russian politics in most cases.

The political situation of the world is governed as much by the controversy between the totalitarian and the liberal philosphy as it is by the will forfreedom and the struggle of the colonial and colored peoples against white supremacy. The leadership of the white race and its fighting potential against totalitarianism of Soviet coinage can only be saved in the long run if colonial problems are settled reasonably and the colonial people are enlisted as allies of the white man in the struggle against the Soviet Union. If this cannot be accomplished, then the Soviets - who use the colonial problem as a propaganda weapon - will acquire a manpower potential great enough to crush the West in 50 years in spite of the superior, economy and technics. This fact is clearly illuminated by the large number of members of Negro communities which are being trained in colonial underground work at a school of the MWD in Prague.

the Western world in the hands of the <u>United States</u>. With their policy of containment they are pursuing an objective which can lead to initiative and success only if it has the support of all states oriented toward the West. That is, unfortunately, not the case at the moment.

- 2. The Soviet Union aims at the establishment of a Soviet-Socialist world order and, at the present period, at the extension of its political sphere of influence over the entire Eurasian and Near Eastern space, with particular emphasis on the suppression of the influence of the United States and on the prevention of a United Europe unless this unification can be achieved under masked or open Soviet Russian leadership. All roads leading to this goal are acceptable to them and I know from reliable personal information that Russia would temporarily accept an anti-Communist Germany, if this Germany were allowed only a restricted police force and if a corresponding agreement with France and Great Britain would guarantee the elimination of the influence of the United States from Europe.
- based on antiquated, long out-lived ideas. As she did before the Second World War against Hitler-Germany, Great Britain sees in the Soviet system and its policies no decisive threat to the British Isles and to the Commonwealth. At any rate, her policy is strongly influenced by the thesis that the danger of a war with the Soviet Union does not exist for many years to come a fact which is pertinent at this time. The impression persists here that so far the basis of British politics has been to try to regain the positions lost in Europe and in the World through and after the War, to eliminate step by step the influence of the United States from Europe and other areas where British influence formerly prevailed, and to do this in a way which will not jeopardize the traditional friendship and collaboration between Great Britain and the United States. Only very recently has the idea gained ground to look for a

compromise with the Soviet Union, good for several years, at the expense of the United States, of Germany and of the liberation of the Russian satellites in Europe, in the hope of achieving through it a clarification of the Near Eastern situation in the interests of England and an opening, that is an extension, of economic relations with the entire Eastern block and Red China which would strengthen the economy of the Commonwealth and retard the secession of the non-white countries from the Commonwealth.

- 4. The <u>French conception</u> is in reality no conception at all. It is dictated by Nationalist resentments, by the fear of Germany, by the strong British influence at the Quai d'Orsay and by consideration of French colonial problems. France could also profit theoretically by the above described British idea. Her final trend will however depend on whether the American or the Brit ish influence on her policies becomes, stronger.
- 5. The <u>Italian conception</u> depends greatly on the United States. However, in the last instance, it will be the result of the prevailing European situation and of developments in Yugoslovia.
- 6. The German conception so far has been the creation of a united Europe, inclusive of all of Germany, and able to defend itself militarily. For this, she would even agree to a merger of Germany with a European community of states. This concept is based on the convection, shared by every expert on Russia, that a and sufficiently armed Europe would be able to arrive by peaceful negotiations with Russia at the liberation of the European satellite states of Russia and their inclusion in the concept. of Europe. This German conception is threatened by the intensive Soviet underground activity in West Germany which reaches into all parties, Approved For Release 2002/03/22: CIA-RDP80R01731R000500270026-4

and by the trend shaping up in England and France towards the Soviet Union. Only the strong political support of Germany by the United States will be able to counteract Russia's endeavor to split the anti-Communist forces and powers of Europe and of the world.

### IV. Special Political Danger Points.

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#### 1. Europe.

It must be pointed out that the temporary weakening of the Soviet system through Stalin's death does not lessen, but rather augments, the factor of danger. At this time, all available data seems to indicate that the danger of a war between East and West: is banned; nevertheless for the sake of comparison, we should recall the circumstances that led to the outbreak of the Second World War. Hitler was in a forced position; he had to uhleash a war, though all experts agreed that an insufficiently armed Germany would have to lose it in a few months should the Allies act promptly. Though it is not probable, a similar case is not completely out of the question at this time if unforeseen circumstances should pile up. It is particularly conceivable within the framework of a struggle for power between the leading Russian personalities. danger can be banned if the European defense is built up within the next few years to a point where it would constitute a tangible military risk for the other side. The danger will become much more acute if Europe has not built up a military power by 1956. Under no circumstances should symptoms of weakness in the Soviet structure be over-estimated politically as were the signs of weakness of National Socialism before and during the war. This does not mean, however, that they should not be utilized cleverly as a political factor.

We must seriously point out the special situation of Yugoslovia. Thave had information for some time that Tito is to trying to mend his fences with the Kremlin, though he was rebuked at first. This is confirmed by several indications during the last few weeks, among them the redispatching of a specially chosen Soviet Russian Ambassador to Belgrade. This does not mean for certain that Tito is already double-dealing; but he seems to be under strong pressure by his political and military collaborators. Tito himself is a realist in politics and is striving for a leading role for Yugoslovia in the Balkans. This has been apparent by his recent feelers in the direction of Hungary, Rumania and Bulgaria. The Balkan League, Yugoslovia - Greece - Turkey, strongly favored by England, supports Tito in this direction. In view of the latest political trend in Britain towards a compromise attempt with Russia, Tito's possibilities are multiplying; he can either become a potential opponent or a neutralist. Though he is making clever use of all Socialist circles in Europe, for the purpose of being politically acceptable to the West, policies towards Yugoslovia must be conducted with great care and skill.

#### 2. The Near East

Since developments in Iran were not arrested by early measures such as the generous sacrifice of partial positions, the silent and practically unnoticeable slipping of Iran into the Soviet sphere of power is as good as certain and we will be faced by a fait accompli unless Great Britain or the United States decides at the last moment to employ troops. This would, however, entail the danger of lighting a small fire that might become a conflag-

ration. With the slipping of Iran into the Russian sphere, the attitude of Turkey would become doubtful in the long run. the Turks appear to be dependable allies, such a development would force them into a neutral role, for it is certain that alone they will not be willing to pull the chestnuts out of the fire for the There are definite indications that the Turks are aware of The Russian offer to renew the friendship pact with this trend. Turkey, this time without the demands of 1945, the proposal of a new Dardanelles Treaty and the feelers towards Greece are an illustrations. The Russian aim in the Near East is the creation of a neutral zone which will bar the West from the most favorable attack positions in the Black Sea region, Hence, the intensive Russian political effort which differs in each of the Arab states, but which is attuned to individual circumstances just as is the British. Hence, the attempt to penetrate into the realm of religion and of religious sects, in most cases without Communist tenden-In connection with the British struggle for their individual interests, a center of unrest is brewing here which could endanger the entire defense of the Eastern Mediterranean. Here, too, the British, though they know this area best are lagging behind events due to their conservatism. In the interest of the common cause of the West I should be happy if my prognosis turned out to be wrong that within a few years no British troops will be stationed at the Suez Canal in spite of the fact that Britain considers this a question of life and death.

#### 3. The Middle and Far East.

A long range danger seems also to be developing in

India since Communism last year changed over into a sort of popular Approved For Release 2002/03/22: CIA-RDP80R01731R000500270026-4

front and since the partial success of Moscow's directives to separate Asiatic Socialism from the 3rd International. Here too a very skillful hand will be needed to prevent the slipping of India into the Communist sphere within the coming years.

To what it will be possible within the next decade and in view of the weakened Soviet structure to alienate the Chinese form of Communism from Soviet Communism is a moot question. are areas of friction in Manchuria and in Sinkiang; but a concrete, conclusive gase does not exist at the moment. The natural differences of opinion are usually overestimated politically. Russia has always had a particularly skillful hand in treating Asiatic peoples and she disposes of many experts on the subject, while the West has only a few high ranking specialists who have repeatedly been wrong in judging the Asiatics. Information at my disposal indicates that Mao-Tse-Tung's regime must be considered secure. It is progressing with a successful reconstruction program, though by with local Asiatic methods, which the Chinese people approve. This makes the question of Korea as well as of Indo-China particular signifi-The Communist world can at any time use the two areas for the purpose of weakening and dividing the West, though it must be pointed out that at the moment Russia is not in favor of outstanding political successes for China.

# 4. Africa - South America

Within the framework of an extensive evaluation of the entire world situation it must be pointed out that since the end of the war the burrowing tactics of the Soviets have become more intensive in Africa as well as in South America and that they have

fully utilized all social and economic tensions in the colonies.

This may not be important at the moment but it will become so as tensions increase.

#### 5. Summary.

The fundamental aim of Soviet politics remains unchanged; it is world conquest for the Soviet system, using the USSR as a model; at the present stage it is the political inclusion of Eurasia in the Soviet sphere of influence and the elimination of the influence of the United States, through the creation of a block of neutral states in the Arab domain of the Near East. Not everywhere is this to be accomplished through conquest, but in most cases through political penetration and the splitting up of the block of Western states. The Soviet Union has been very successful in penetrating the important Western states, politically and by broadcasts, in disrupting their united front as well as in the preventing, that is, postponing, a unified European defense. Through the attempts by Great Britain and France to arrive at a compromise by negotiations, not coordinated and directed by the Western powers in common, a dangerous development is in the offing which - if continued - may lead in the next few years to a seeming pacification, but later on to the sudden outbreak of war, unless the united front of the West is speedily reestablished. Negotiations with the Soviets can be made only with sword in hand and even then only if the Soviets know that the sword will be used if needed.

This may be illustrated by an example: the only country which so far reacted correctly to a Russian provocation, because it knows the Russians, is Sweden. When a Swedish plane was shot down

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last year, Sweden ordered her air force and her navy - and announced the order over the radio - to open fire immediately on any Russian plane or boat hampering the search in the Baltic (in spite of Russia's claims that the Baltic is her territory). Thereupon the Russians have avoided anything that might lead to an incident and so I was told by a Swedish friend - are taking pains to keep away from the Swedish fishing fleet.

The West had the unique opportunity after the June uprising to regain the political initiative and to force the Soviets into following suit through a common proposal for reunification of Germany on the basis of free and secret elections supervised by UNO. As an inducement it could have been pointed out to the Russians that in case of their agreement, the West would be satisfied with the EDC solution, while otherwise German remilitarization would have to be accomplished on a national basis within the framework of an alliance. Such negotiations would not have produced a positive success, but, added to the loss of prestige suffered through the June uprising, they would have meant a diplomatic defeat of the Soviet Union on which new demands in other parts of the world could have been based. The latest British steps have probably destroyed this chance, unless the present unrest in Poland might be utilized similarly.

Without exact knowledge of the diplomatic interrelations of the West, all that can be said from the German point of view is that the initiative for negotiations should be utilized further as long as it exists. On the other hand no time must be lost to build up a European defense in one form or another as quickly as possible. It must be admitted that through the ups and downs of last year, particularly of the last few months, and in view of the clever

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undermining of West German parties, German politicians are beginning to have doubts and to wonder what road should be followed.

Wishful thinking is always a temptation; this increases the danger of the thought gaining ground that peace might be preserved through a neutralization of Germany - particularly since Churchill's "Locarno" idea. In the long run this would lead with certainty to the sovietization of Europe and to war. On the basis of developments in the last few years, the only power in which Germany still has confidence is the United States. They must decide and state clearly where the road shall lead.